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2 UNITED STATES DISTRICT COURT
3 NORTHERN DISTRICT OF ILLINOIS
4 EASTERN DIVISION

5 -----X
6 CYNTHIA RUSSO, LISA BULLARD,
7 RICARDO GONZALES, INTERNATIONAL Case No.
8 BROTHERHOOD OF ELECTRICAL WORKERS 1:17-CV-02246
9 LOCAL 38 HEALTH AND WELFARE FUND,

10 INTERNATIONAL UNION OF OPERATING
11 ENGINEERS LOCAL 295-295C WELFARE
12 FUND, and STEAMFITTERS FUND LOCAL
13 439, on Behalf of Themselves and
14 All Others Similarly Situated,

15 Plaintiffs,

16 vs.

17 WALGREEN CO.,

18 Defendant.

19 -----X
20 ** CONFIDENTIAL **

21 STENOGRAPHIC AND VIDEO-RECORDED
22 REMOTE VIRTUAL DEPOSITION OF
23 JED R. SMITH

24 Friday, April 28, 2023

25 10:03 a.m.

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2 A. In a general high-level description
3 would be to run that claim through the different
4 coverage and benefit aspects of a prescription
5 drug plan.

6 Q. What entity adjudicates claims?

7 A. It depends on what type of claim you're
8 talking about.

9 Q. Is it fair to say that PBMs generally
10 adjudicate claims for the purchases of
11 prescription drugs made at retail pharmacies?

12 MR. LEIB: Objection.

13 Q. You can answer.

14 A. I believe that that's generally the
15 case, or, I guess, third-party administrators that
16 they subcontract to.

17 Q. Do you have an understanding as to what
18 information is generally considered as part of the
19 adjudication process?

20 A. Yes.

21 Q. And what information do you believe is
22 generally considered as part of the adjudication
23 process?

24 A. Eligibility. Plan design. Drug
25 formularies. Contract terms. Benefit structure,

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2 among other things.

3 Q. And all of those factors are considered
4 through the process of adjudicating a claim,
5 correct?

6 MR. LEIB: Objection.

7 Q. You can answer.

8 A. Based on my general understanding, yes.

9 Q. Is it fair to say that pharmacies submit
10 the data that is used in the adjudication process?

11 MR. LEIB: Sorry, can you repeat that
12 question, Carey?

13 Q. Is it fair to say that a pharmacy
14 submits data that is used in the adjudication
15 process?

16 MR. LEIB: Objection.

17 Q. You can answer.

18 A. It would be fair to say that data
19 submitted by the pharmacy is relied upon in the
20 adjudication process.

21 Q. And is it fair to say that PBM when
22 adjudicating a claim then returns data to the
23 pharmacy identifying the results of that
24 adjudication process?

25 MR. LEIB: Objection.

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2 C E R T I F I C A T E
3

4 I, JOSEPHINE H. FASSETT, a Registered
5 Professional Reporter, Certified Court Reporter, and
6 Notary Public of the states of New York and New
7 Jersey, do hereby certify that the witness, whose
8 stenographic remote virtual deposition is
9 hereinbefore set forth, was first duly sworn by me
10 on the date indicated, and that the foregoing
11 stenographic remote virtual deposition is a true and
12 accurate record of the testimony given by such
13 witness.

14 I FURTHER CERTIFY that I am not employed by nor
15 related to any of the parties to this action by
16 blood or marriage, and that I am in no way
17 interested in the outcome of this matter.

18 IN WITNESS WHEREOF, I have subscribed my hand
19 this 10th day of May 2023.

20
21 
22

23 JOSEPHINE H. FASSETT, RPR, CCR
24

25 NCRA License No. 32148

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New York Notary Public

New Jersey Notary Public